



State of Maryland

OFFICE OF THE ATTORNEY GENERAL

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ANNUAL REPORT ON THE  
HEALTH INSURANCE CARRIER  
APPEALS AND GRIEVANCES PROCESS

Prepared by:

HEALTH EDUCATION AND ADVOCACY UNIT

CONSUMER PROTECTION DIVISION

OFFICE OF THE ATTORNEY GENERAL

Submitted to the Governor and General Assembly

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Fiscal Year 2009 Revised

## Table of Contents

I. Executive Summary.....	1
II. Overview of the Appeals and Grievances Process.....	1
III. Carrier Internal Grievance Process .....	2
Carrier Statistics FY 2009.....	3
IV. Maryland Insurance Administration .....	4
MIA Statistics FY 2009 .....	5
V. The Health Education and Advocacy Unit .....	6
HEAU Statistics FY 2009.....	6
VI. Appendix.....	8
<u>Carrier Grievance Data</u>	
Adverse Decisions and Grievances.....	8
Grievances Filed, Ten Year Comparison.....	11
Outcomes of Internal Grievances.....	12
Outcomes of Internal Grievances, Three Year Comparison.....	13
Type of Service Involved in Grievances.....	14
Outcomes of Grievances by Type of Service .....	16
Percentage of Grievances Overturned or Modified, Three Year Comparison .....	16
<u>MIA Complaint Data</u>	
Complaints Listed by Carrier.....	17
Complaints Reviewed by Appeals and Grievances Unit .....	19
Disposition of Complaints .....	20
Results of MIA Decisions.....	21
Type of Service Involved in Complaints/Outcomes.....	22

## HEAU Case Data

Cases Listed by Carrier .....	23
Who Are Cases Filed Against? .....	27
Disposition of Cases .....	28
Who Filed Case? .....	29
Outcomes Based Upon Who Filed Case .....	29
Timing of Decision .....	30
Outcomes Based Upon Timing of Decision .....	30
Type of Service Involved in Cases .....	31
Outcomes of Cases by Type of Service .....	31
Type of Carrier .....	32
Outcomes of Cases by Regulatory Authority .....	32
Type of Decision .....	33
Outcomes of Cases by Type of Decision .....	33

## I. Executive Summary

The Health Education and Advocacy Unit of the Consumer Protection Division of the Office of the Attorney General (hereinafter referred to as HEAU) submits this annual report on the implementation of the Health Insurance Carrier Appeals and Grievances Law<sup>1</sup> (hereinafter referred to as the Appeals and Grievances Law) as required by the Maryland General Assembly.<sup>2</sup> HEAU is required to issue a report each November that summarizes the grievances and complaints handled by carriers, the Maryland Insurance Administration (MIA), and HEAU. HEAU is also required to evaluate the effectiveness of the internal grievance process and complaint process available to members and to propose any changes that HEAU considers necessary to improve those processes.

As required by statute, this report will cover grievances and complaints handled during the state fiscal year 2009, beginning July 1, 2008, and concluding on June 30, 2009. The Appeals and Grievances Law is evaluated by:

- Summarizing the provisions of the law;
- Discussing implementation efforts of the health insurance carriers, MIA, and HEAU; and
- Presenting a statistical summary of grievances and complaints handled by carriers, MIA, and HEAU.

## II. Overview of the Appeals and Grievances Process

The 1998 General Assembly enacted the Appeals and Grievances Law to provide patients a process for appealing their health insurance carriers' medical necessity "adverse decisions." In 2000 the General Assembly enacted Chapter 371<sup>3</sup> that expanded the appeals and grievances process to include contractual "coverage decisions." Patients in Maryland can therefore challenge any carrier decision that results in the total or partial denial of a covered health care service.

As amended, the Appeals and Grievances Law established two very similar processes for patients to dispute carrier determinations, one for carrier denials based upon medical necessity and another for contractual denials. For both types of denials the appeal and grievance process starts when the patient receives notice from the carrier that either an adverse or coverage decision has been rendered. An adverse decision is a finding by a health insurance carrier that proposed or delivered health care services are or were not *medically necessary*, appropriate, or efficient. A coverage decision is a carrier determination that results in the *contractual exclusion* of a health care service.

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<sup>1</sup>Md. Code Ann., Insurance §15-10A-01 through §15-10A-09.

<sup>2</sup>Report required by Md. Code Ann., Commercial Law §13-4A-04 and Insurance § 15-10A-08.

<sup>3</sup>Md. Code Ann., Insurance §15-10D-01 through §15-10D-04.

Under the Appeals and Grievances Law, carriers must provide patients with a written notice that clearly states the basis of the carrier's decision, and that HEAU is available to mediate the dispute with the carrier or, if necessary, help the patient file a grievance or appeal. The notice must also inform the patient that an external review of the decision is available through MIA following exhaustion of the carrier's internal process as established by the Appeals and Grievances Law.

After receiving the initial denial, the patient<sup>4</sup> may dispute the determination through the carrier's internal grievance or appeal process. The carrier has 30 working days to review adverse decisions involving pending care and 45 working days for care that has already been rendered. For coverage decisions the carrier has 60 working days after the date the appeal was filed with the carrier to render a decision. At the conclusion of this internal grievance or appeal process the carrier must issue a written grievance decision or a written appeal decision to the patient.

If the carrier's final decision is unfavorable to the patient, the patient may file a complaint with MIA for an external review of the carrier's determination. Only when there is a compelling reason may patients file a complaint with MIA prior to exhausting the internal grievance process.

### III. Carrier Internal Grievance Process

All health insurance carriers regulated by the State of Maryland are required to establish a grievance process that complies with the provisions of the Appeals and Grievances Law. Health maintenance organizations, nonprofit health service plans, and dental plans are also covered by the requirements of the Appeals and Grievances Law.<sup>5</sup> The Appeals and Grievances Law establishes guidelines that carriers must follow in notifying patients of medical necessity and contractual denials, establishing grievance processes, and notifying members of grievance decisions.

The law also subjects carrier decisions to an external review by MIA. In cases of medical necessity denials, MIA can refer the case to medical experts at an Independent Review Organization (IRO) for evaluation and to provide MIA with an opinion as to the medical necessity of the care. MIA may accept or reject the opinion when making a final determination.

In addition, the Appeals and Grievances Law requires carriers to submit quarterly reports to MIA that describe the number and outcomes of internal grievances handled by the carriers. MIA then forwards the reports to HEAU for inclusion in this Report. Although the quarterly report data submitted by carriers provides some basic insight into the carriers' internal grievance processes, its usefulness is limited by several factors, including:

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<sup>4</sup>Throughout this report we refer to the rights of patients during the appeals and grievances process. The Appeals and Grievances Law also gives health care providers the right to file appeals and grievances on behalf of their patients.

<sup>5</sup>Health plans offered by Medicare, Medicaid, the Federal Employee Health Benefit Plan and the federally regulated self-funded plans are not subject to the appeals and grievances requirements.

- The carriers do not report data about each individual grievance. The carriers divide their data into medical service categories and report on the limited data within each category. As the categories are not standardized, reporting and categorizing may vary significantly from one carrier to another, making it difficult to compare one carrier's data to that of another.
- The diagnosis and procedure information reported is incomplete. Carriers are required to report diagnostic or treatment codes for a limited number of complaints. While the limited data provides basic evaluative information, complete reporting would provide a more valuable tool in analyzing grievance data.
- Carriers are not required to identify the grievances that involved the MIA or HEAU. Since this information is not present, it is impossible to check the cases reported by carriers against the data recorded by MIA or HEAU to verify the consistency of data reporting.
- Carriers are not required to report membership or enrollee numbers, so an analysis of the number of adverse decisions compared to enrollee number cannot be performed.
- As of January 1, 2002, the data submitted by carriers was expanded to include the number of adverse decisions issued and to identify the type of service involved in each adverse decision. HEAU's 2003 Annual Report contained the first full year of adverse decision data.

### **Carrier Statistics FY 2009**

In addition to the highlights below, charts providing statistical detail from the data submitted by the carriers appear on pages 8-16 of this report.

1. Carriers reported 86,691 adverse decisions in FY 2009. This represents an increase of 13% in the number of denials issued by carriers from FY 2008. The carriers administratively reversed 155 of these adverse decisions, or less than 1%.
2. Carriers report that 10,074 internal grievances were filed in FY 2009, a decrease of 447 records from FY 2008. As carriers are not required to report membership numbers, it cannot be determined if the decrease in grievances filed represents a decrease in overall membership.
3. Overall, during the internal grievance process, carriers altered their original adverse decisions in a total of 65% of the grievances they received. They overturned their adverse decisions in 46% of the grievances and modified their determinations in 19% of the grievances filed. This change from the carrier's original adverse decision shows an increase of 12 percentage points when compared to FY 2008, when carriers reported changing 53% of their adverse decisions.

4. Outcomes from carriers' internal grievance processes vary significantly based upon the type of service in dispute. These trends have remained fairly constant during the past four years, with adverse decisions related to physicians and other health care providers, pharmacy, and radiology/laboratory services much more likely to be reversed than adverse decisions involving mental health care, durable medical equipment, and inpatient hospital services.
5. Adverse decisions involving mental health/substance abuse services continue to be significantly less likely to be overturned or modified than other types of health care services. For FY 2009, carriers reported an overturned or modified rate of 17% for mental health and substance abuse, a decrease from 20% in FY 2008.

#### IV. Maryland Insurance Administration

MIA has regulatory oversight of insurance products offered in Maryland. The General Assembly enacted the Appeals and Grievances Law in 1998 for medical necessity denials and expanded the law in 2000 to include contractual denials. It provided MIA with the financial resources needed to handle the increased caseload and to have medical experts review the carriers' medical necessity adverse decisions. In addition to granting MIA the specific authority to order external reviews, the law also describes its responsibilities and establishes deadlines for cases involving urgently needed care.

When MIA receives a written complaint from a patient or provider, it reviews it to determine if the complaint raises issues subject to the Appeals and Grievances Law. If the Appeals and Grievances Law applies, MIA must confirm that the carrier's internal grievance process has been fully exhausted. The law requires that the internal process be exhausted prior to MIA examining a carrier's adverse decision unless there is a compelling reason for review prior to exhaustion. If the carrier's internal process has been exhausted or there is a compelling reason to bypass the internal grievance process, MIA will contact the carrier in writing requesting a written response to the complaint. The carrier may respond to MIA by confirming or reversing its denial or by providing additional information related to the complaint. When MIA does not have jurisdiction or the carrier's internal process has not been exhausted, MIA refers the case to HEAU for an ombudsman to assist the patient through the grievance process.

If the carrier upholds a denial that is subject to the Appeals and Grievances Law, then MIA's investigator prepares the case for review. As part of the preparation, the investigator contacts the appropriate parties in writing, giving them a deadline for submitting additional documentation to be considered in the review. The parties, including the carrier, are notified simultaneously. Once MIA receives the proper documentation, the file is forwarded to an Independent Review Organization for medical necessity review, or to an MIA reviewer for contractual denials. The IRO is asked to respond to specific questions set forth in a cover letter.

If the reviewer's recommendation is to overturn the carrier's denial, and the Insurance Commissioner agrees, an order is issued and forwarded in writing to the carrier, along with a notice that the carrier has the right to request a hearing challenging the order. The patient or

provider who filed the complaint is notified of the outcome by telephone, if possible, and then by mail.

If the reviewer's recommendation is to uphold the carrier's denial, and the Insurance Commissioner agrees, the patient or provider is informed of the decision, by phone if possible, and that they have the right to request a hearing. The carrier is also informed of this decision by phone, and if warranted, by mail.

For urgently needed care, MIA conducts an expedited external review, usually completing the above process within 24 hours. A hotline number (1-800-492-6116) is available 24 hours a day, seven days a week to respond to these emergency cases.

### **MIA Statistics FY 2009**

In addition to the highlights listed below, charts providing statistical detail of the disposition of MIA cases appear on pages 17-22 of this report.

1. The Appeals and Grievances Unit of MIA reviewed 911 complaints that were filed between July 1, 2008, and June 30, 2009.
2. After reviewing these cases, MIA determined that 554 grievances involved adverse decisions issued by health insurance carriers they regulated.
3. Of the 554 grievances meeting the above criteria, MIA referred 111 to HEAU because the patient had not yet exhausted the carrier's internal grievance process and there was no compelling reason to review the adverse decision prior to the exhaustion of the carrier's internal grievance process.
4. MIA initiated reviews of 443 grievances in which patients challenged the adverse decisions of their health insurance carrier. During MIA's investigation, the carriers reversed their adverse decisions in 226 (51%) of these 443 cases. MIA issued a decision in the remaining 217 grievances.
5. During FY 2009, MIA issued 217 decisions in cases related to carrier decisions in appeals and grievances cases. Of the 217 decisions issued, MIA upheld 194 or 89% of the carriers' decisions, overturned 10 or 5% of the decisions, and modified 13 or 6% of the decisions.
6. Of the 443 cases in which the MIA reviewed the patient's challenge to the adverse decision, the carrier's decision was reversed or modified either voluntarily or because of an MIA decision in 249 cases (56%).

### **V. The Health Education and Advocacy Unit**

HEAU was established by an act of the 1986 General Assembly. HEAU was designed to assist health care consumers in understanding health care bills and third party coverage, to

identify improper billing or coverage determinations, to report billing and/or coverage problems to appropriate agencies, and to assist patients with health equipment warranty issues. To fulfill these responsibilities, HEAU built upon the established mediation program within the Consumer Protection Division of the Attorney General's Office. Based upon HEAU's successful mediation efforts, the General Assembly selected HEAU to be the first line consumer assistance agency when it passed the Appeals and Grievances Law in 1998.

The Appeals and Grievances Law requires that health insurance carriers notify patients that HEAU is available to assist them in appealing an adverse decision. With each adverse decision issued, carriers must provide patients with HEAU's contact information including HEAU's toll-free hotline (877-261-8807). In addition, HEAU conducts outreach programs to increase patient and provider awareness of the rights and resources granted under the Appeals and Grievances Law.

When HEAU receives a request for assistance, HEAU gathers basic information from the health insurance carriers related to the services or care denied. Specifically, HEAU asks the carrier to provide a copy of the insurance contract provisions or the utilization review criteria upon which the carrier based the denial and to identify precisely which provision or criteria the patient failed to meet. Once the carrier responds, HEAU gathers information about the patient's condition from the patient and provider. The object is to assemble all relevant information or documents necessary for the carrier to determine if the patient meets the criteria established by the health plan, or that the contractual denial is incorrect. HEAU then presents this information to the carrier for reconsideration of the denial. Many complaints are resolved during this information exchange process. If not resolved, HEAU will prepare and file a formal written grievance with the health insurance carrier on behalf of the patient.

If, at the conclusion of the grievance process, the carrier continues to deny the care, the patient or provider may request that HEAU transfer the case to MIA for external review. HEAU refers the case to MIA with a copy of all relevant medical and insurance documentation.

### **HEAU Statistics FY 2009**

In addition to the highlights listed below, charts providing statistical detail of the disposition of HEAU cases appear on pages 23-33 of this report.

1. HEAU closed 2,104 cases during FY 2009.
2. The appeals and grievances cases fall into two categories: denials based upon medical necessity and denials based upon contractual exclusions. HEAU-mediated cases were 70% contractual denials and 30% medical necessity denials.
3. HEAU mediation resulted in 48% of the contractual denial cases being overturned or modified by the carrier; 64% of the medical necessity denial cases were overturned or modified.
4. HEAU assisted patients in obtaining more than \$1.4 million in FY 2009, bringing the

total to more than \$10 million since 1999.

5. In cases filed against health plans subject to review by MIA, HEAU mediation efforts resulted in carriers changing their decisions 62% of the time. For non-regulated plans, HEAU efforts resulted in carriers changing their decisions only 28% of the time.

VI. Appendix

Carrier Data: Adverse Decisions and Grievances FY 2009<sup>6</sup>

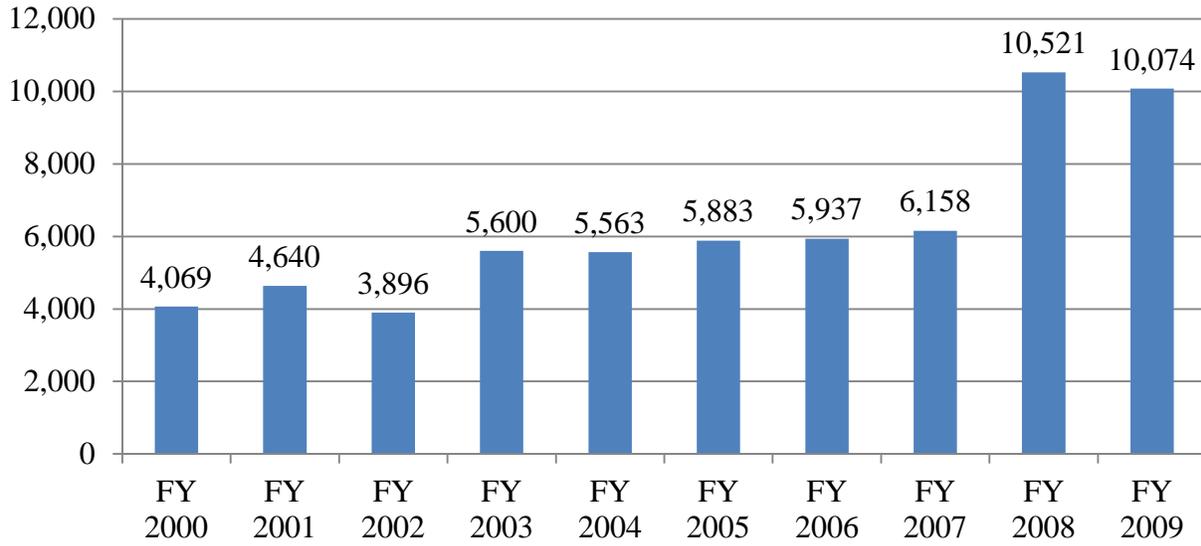
Carrier	Adverse Decisions		Grievances		
	Total Adverse Decisions	Admin. Reversal	Total Grievances	Upheld	Overturned/ Modified
Aetna Dental Inc.	333	0	2	0%	50%
Aetna Health Inc.	945	67	82	38%	62%
Aetna Life Insurance Company	316	19	69	67%	33%
Ameritas Life Insurance Corp.	483	0	41	59%	41%
CareFirst BlueChoice, Inc.	9,091	0	1,302	34%	66%
CareFirst of Maryland, Inc.	5,352	0	562	37%	63%
CIGNA Dental Health of Maryland, Inc.	457	0	0	0%	0%
Cigna Dental Health of Maryland, Incorporated	401	0	0	0%	0%
Cigna Healthcare Mid-Atlantic, Incorporated	156	0	95	37%	63%
Companion Life Insurance Company	3	0	1	100%	0%
Connecticut General Life Insurance Company	751	0	197	51%	50%
Coventry Health Care of Delaware, Inc.	2,770	17	237	40%	60%
Dental Benefit Providers of Illinois, Inc.	3,203	0	2,314	25%	75%
Eastern Life and Health Insurance Company	3	0	0	0%	0%
Fidelity Security Life Insurance Company	3	0	0	0%	0%

<sup>6</sup> Data as reported by carriers.

Carrier	Adverse Decisions		Grievances		
	Total Adverse Decisions	Admin. Reversal	Total Grievances	Upheld	Overturned/Modified
Golden Rule Insurance Company	2	0	2	100%	0%
Group Dental Service of Maryland, Inc.	27,290	0	109	50%	50%
Group Hospitalization and Medical Services, Inc.	5,645	0	660	27%	73%
Guardian Life Insurance Company of America	805	12	215	33%	52%
Humana Insurance Company	1	0	1	0%	100%
Humana Dental Insurance Company	11	2	1	0%	100%
John Alden Life Insurance Company	4	0	0	0%	0%
Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc.	3,061	18	114	58%	42%
Kaiser Permanente Insurance Company	18	0	5	100%	0%
Lincoln National Life Insurance Co.	5	0	0	0%	0%
Mamsi Life and Health Insurance Company	1,158	0	215	84%	16%
MD-Individual Practice Association, Inc.	1,397	0	281	81%	19%
Mega Life and Health Insurance Company	1	0	1	0%	100%
Metropolitan Life Insurance Company	18,064	0	2,444	13%	86%
Nationwide Life Insurance Company	10	0	6	100%	0%
Optimum Choice, Inc.	3,119	0	711	84%	16%
Pan-American Life Insurance Company	296	0	0	0%	0%

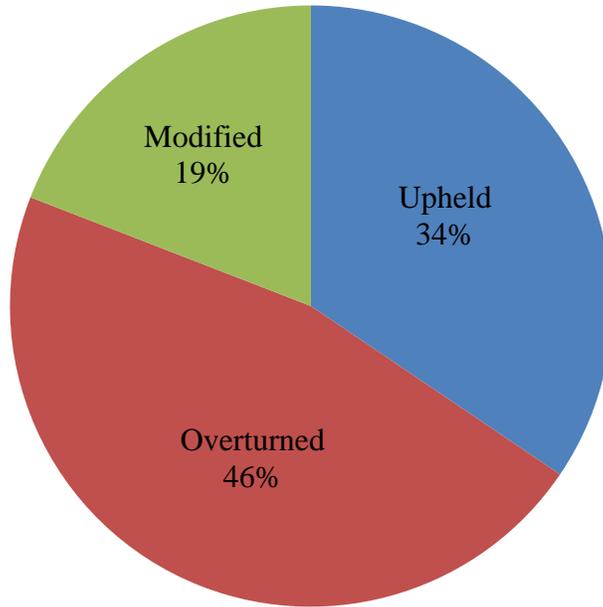
Carrier	Adverse Decisions		Grievances		
	Total Adverse Decisions	Admin. Reversal	Total Grievances	Upheld	Overturned/Modified
Prudential Insurance Company of America	1	0	1	100%	0%
Reliance Standard Life Insurance Company	56	0	7	57%	43%
Standard Insurance Company	1	0	1	100%	0%
Standard Security Life Insurance Company of New York	1	0	1	100%	0%
The Lincoln National Life Insurance Company	1	0	0	0%	0%
Time Insurance Company	19	0	3	100%	0%
Unicare Life & Health Insurance Company	414	0	80	51%	49%
Union Security Insurance Company	28	20	28	21%	79%
United Concordia Dental Plans, Inc.	3	0	0	0%	0%
United Concordia Life and Health Insurance Company	339	0	126	27%	73%
United Healthcare Insurance Company	465	0	122	64%	36%
United States Life Insurance Company In the City of New York	1	0	1	0%	100%
United Healthcare of the Mid-Atlantic, Inc.	208	0	37	62%	38%
<b>Total</b>	<b>86,691</b>	<b>155</b>	<b>10,074</b>	<b>34%</b>	<b>65%</b>

### Carrier Data: Ten Year Comparison of Grievances



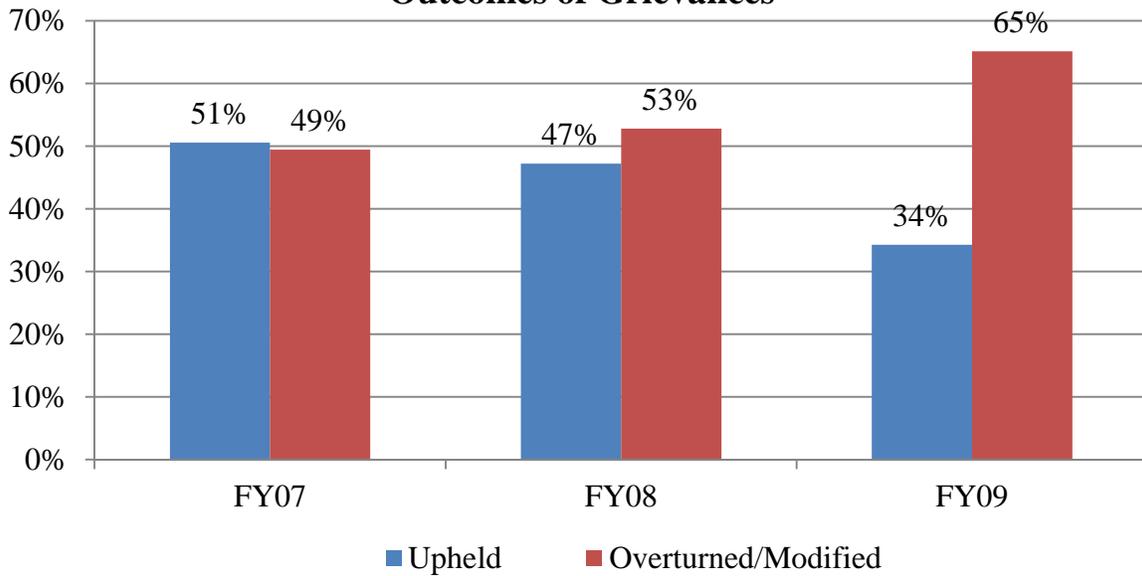
This chart shows the history of carrier grievances under the Appeals and Grievances Law since the first full year the HEAU collected data.

**Carrier Data: Outcomes of Grievances  
Filed FY 2009**



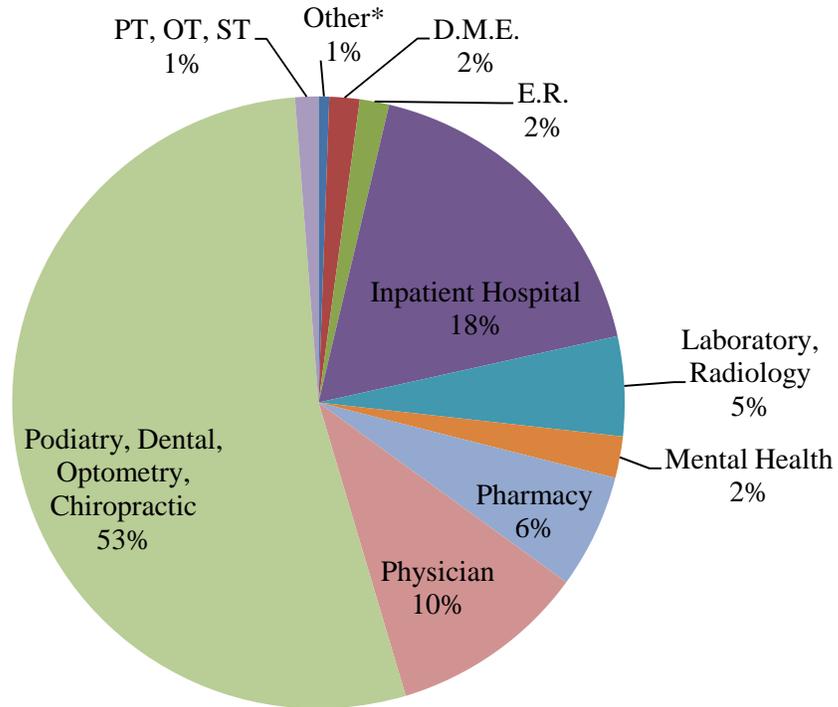
This chart describes the outcomes of the 10,074 grievances reported by the carriers. Some carriers did not report the outcomes of all reported grievances; therefore, the outcomes do not amount to 100% of the grievances filed.

### Carrier Data: Three Year Comparison of Outcomes of Grievances



This chart compares the year-to-year outcomes of grievances filed with carriers. Some carriers did not report the outcomes of all reported grievances. Accordingly, the outcomes do not amount to 100% of the grievances filed.

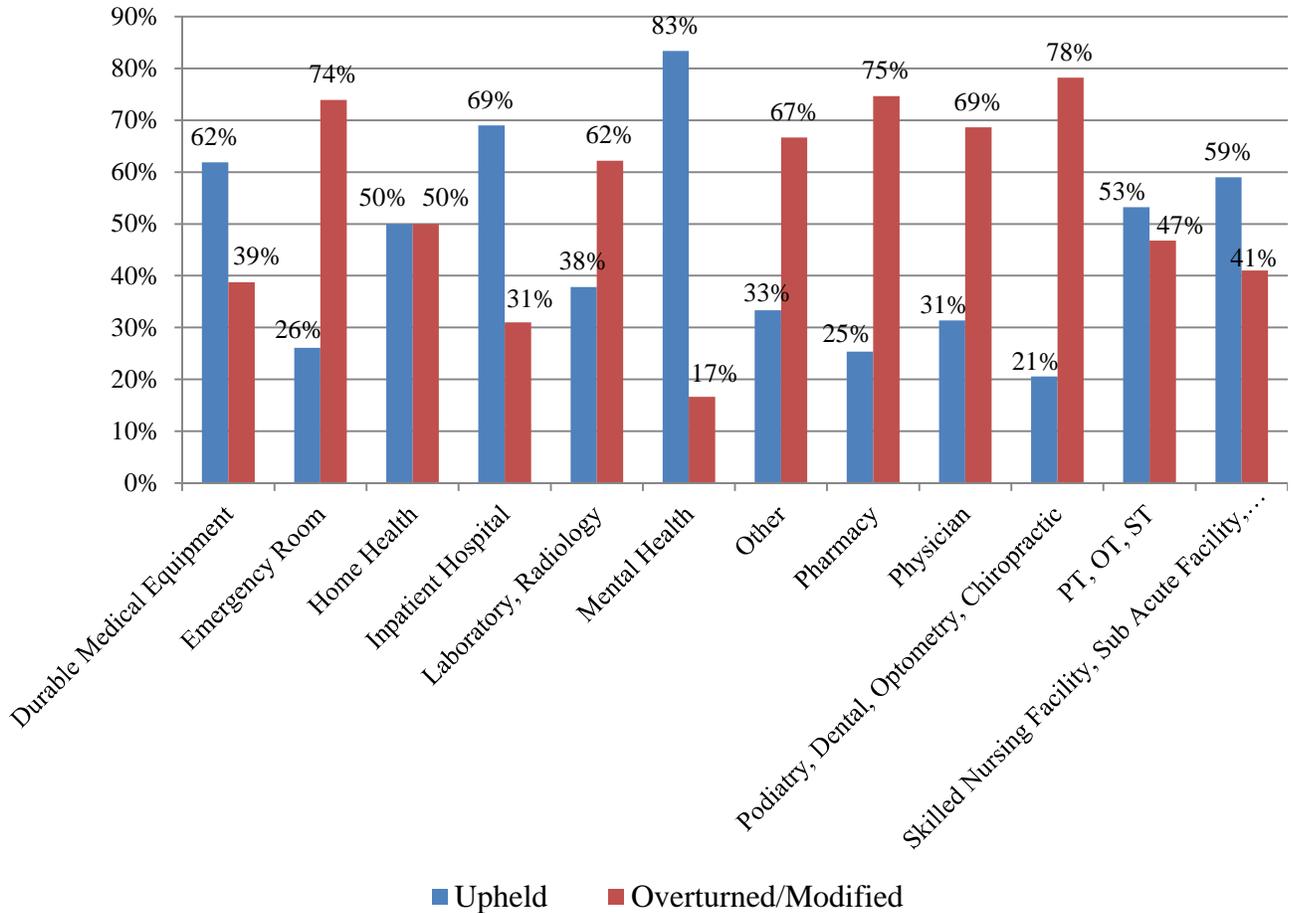
### Carrier Grievance Data: Type of Service Involved in Grievances FY 2009



Carriers must report the type of service involved in the internal grievances they receive. The chart above details the types of services involved in internal grievances in FY 2009 as reported by carriers. The carriers report mental health and substance abuse services together

\* “Other” includes home health, skilled nursing facility, sub-acute facility, nursing home, and other cases where the Type of Service did not fit an existing category.

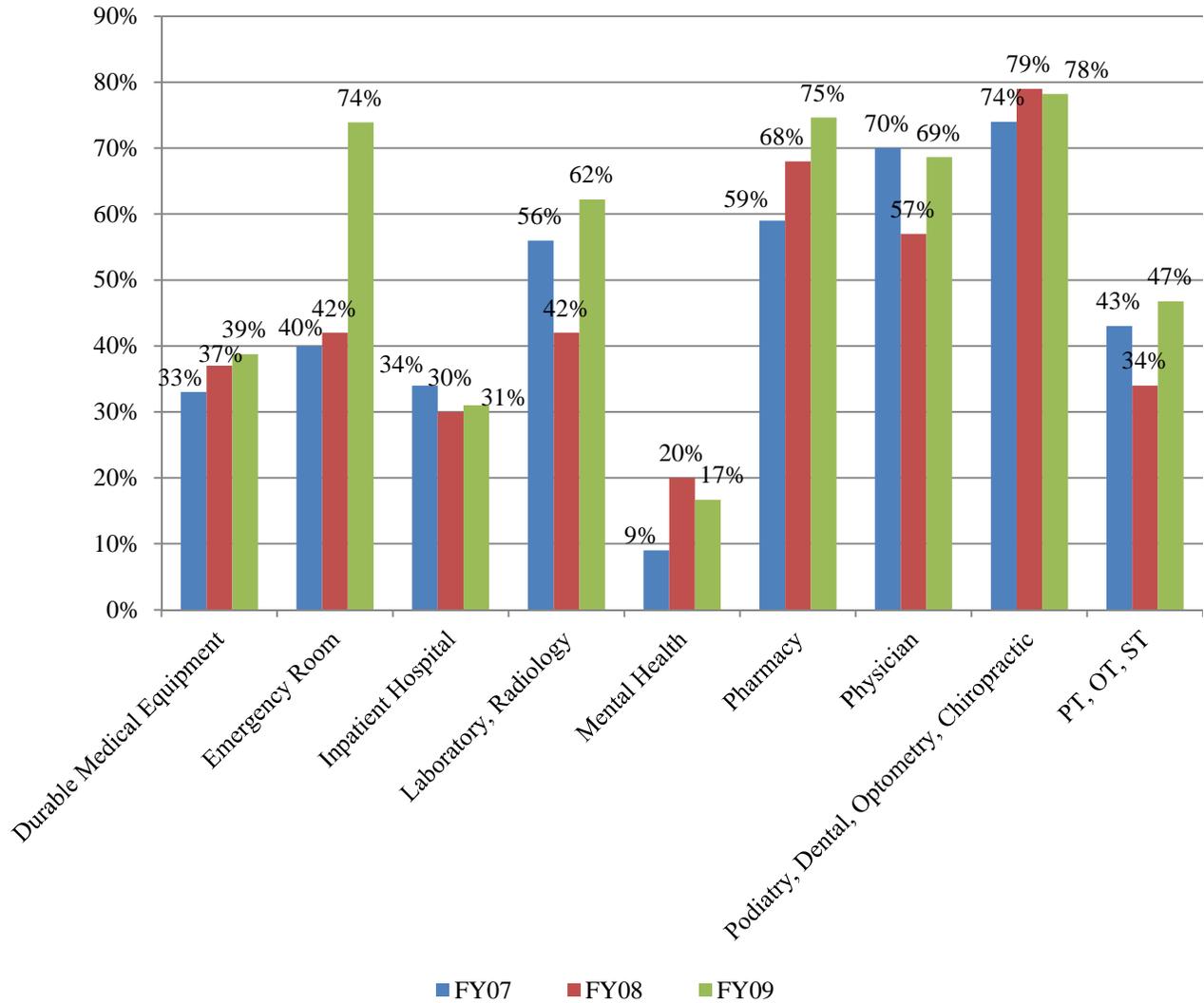
## Carrier Grievance Data: Outcomes of Grievances by Type of Service FY 2009



Carriers are required to identify the type of service involved in the grievances they receive as well as the outcomes of those grievances. This chart compares the variance in the outcomes of grievances based upon the type of service being disputed in the grievance. This chart is based upon carrier reported data. The cases reported as overturned or modified have been combined to more clearly present the data. The carriers report mental health and substance abuse together.

\*“Other” includes cases where the Type of Service did not fit an existing category.

## Carrier Grievance Data: Three Year Comparison of Carrier Reversals of Grievances Filed



This chart compares the percentage of cases reported as overturned or modified, comparing FY 2007, FY 2008, and FY 2009 outcomes, for several service types, as reported by the carriers.



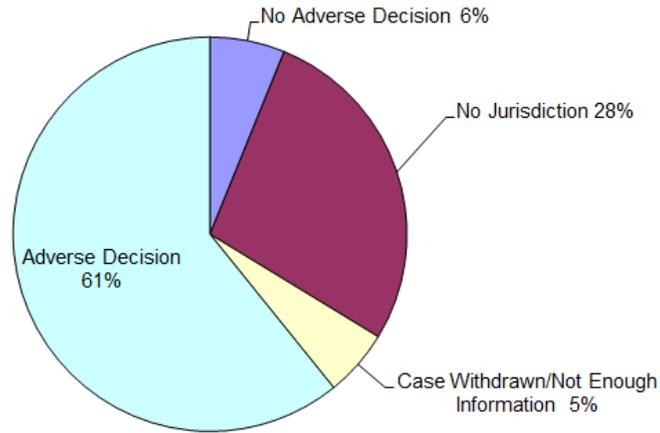
**MIA Appeals and Grievances Complaints  
Complaints Listed by Carrier  
FY 2009**

Carrier	Total	Carrier Upheld by MIA	Carrier Overturned by MIA	Carrier Modified by MIA	Carrier Reversed Itself During Investigation
Aetna Health Inc.	10	2 20%	0 0%	0 0%	8 80%
Aetna Life Insurance Company	9	2 22%	0 0%	0 0%	7 78%
American Republic Insurance Company	1	0 0%	0 0%	0 0%	1 100%
Assurant Employee Benefits	1	1 100%	0 0%	0 0%	0 0%
CareFirst BlueChoice, Inc.	85	34 40%	8 10%	1 1%	42 49%
Carefirst of Maryland, Inc.	42	20 48%	1 2%	1 2%	20 48%
Cigna Dental Health of Maryland, Incorporated	2	1 50%	0 0%	0 0%	1 50%
Connecticut General Life Insurance Company	4	3 75%	0 0%	1 25%	0 0%
Coventry Health Care of Delaware, Inc.	34	15 44%	1 3%	1 3%	17 50%
Delta Dental of Pennsylvania	1	0 0%	0 0%	0 0%	1 100%
Denex Dental	1	0 0%	0 0%	0 0%	1 100%
Dental Benefit Providers of Maryland, Inc.	1	0 0%	0 0%	0 0%	1 100%
Eastern Life and Health Insurance Company	1	0 0%	0 0%	0 0%	1 100%
Group Dental Service of Maryland, Inc.	3	1 33%	0 0%	0 0%	2 67%
Group Hospitalization and Medical Services, Inc.	40	13 32%	0 0%	1 3%	26 65%
Guardian Life Insurance Company of America	11	8 73%	0 0%	0 0%	3 27%
Kaiser Foundation Health Plan of the Mid-Atlantic	15	9 60%	0 0%	0 0%	6 40%
Kaiser Permanente Insurance Company	2	1 50%	0 0%	0 0%	1 50%
Mamsi Life and Health Insurance Company	15	8 53%	0 0%	1 7%	6 40%
Maryland Health Insurance Plan	6	1 17%	0 0%	0 0%	5 83%
MD-Individual Practice Association, Inc.	33	22 67%	0 0%	0 0%	11 33%
Medco Health Solution	1	0 0%	0 0%	0 0%	1 100%
Metropolitan Life Insurance Company	5	0 0%	0 0%	0 0%	5 100%
Optimum Choice, Inc.	84	43 51%	0 0%	7 8%	34 41%
Principal Life Insurance Company	1	0 0%	0 0%	0 0%	1 100%

Carrier	Total	Carrier Upheld by MIA	Carrier Overturned by MIA	Carrier Modified by MIA	Carrier Reversed Itself During Investigation
Time Insurance Company	1	1   100%	0   0%	0   0%	0   0%
Unicare Life & Health Insurance Company	4	2   50%	0   0%	0   0%	2   50%
United Concordia Dental Plans, Inc.	1	0   0%	0   0%	0   0%	1   100%
United Concordia Life and Health Insurance Company	1	0   0%	0   0%	0   0%	1   100%
United Healthcare Insurance Company	22	6   27%	0   0%	0   0%	16   73%
UnitedHealthcare of the Mid-Atlantic, Inc.	6	1   17%	0   0%	0   0%	5   83%
<b>TOTAL</b>	<b>443</b>	<b>194   44%</b>	<b>10   2%</b>	<b>13   3%</b>	<b>226   51%</b>

- Data as reported by MIA

## MIA Complaints FY 2009 Complaints Reviewed by Appeals and Grievances Unit

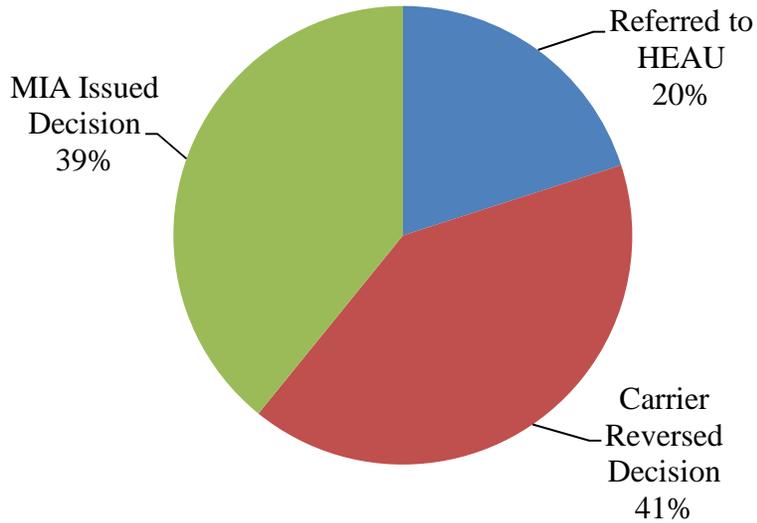


When the MIA Appeals and Grievances Unit receives a written complaint, it reviews it to determine:

- *Is the carrier subject to State jurisdiction?*
- *Does the complaint include a dispute of an adverse decision?*
- *Has the patient exhausted the carrier's internal grievance process?*

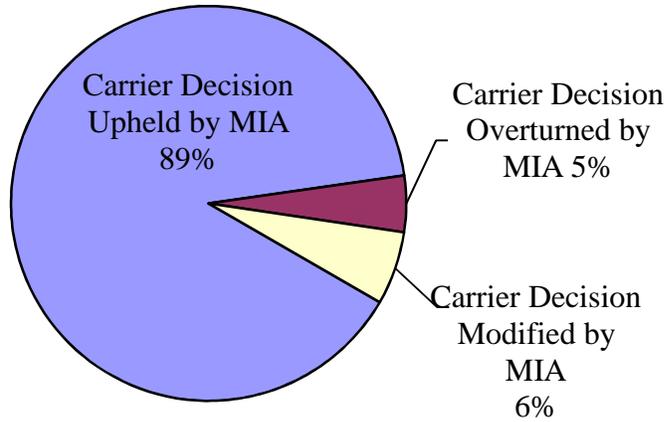
Some cases are withdrawn or there is not enough information to complete the review. This chart details the outcomes of MIA's review of cases during FY 2009.

### MIA Appeals and Grievances Complaints Disposition of Complaints FY 2009



During FY 2009, MIA determined that 554 complaints challenged adverse decisions made by carriers that were subject to State jurisdiction. MIA referred to HEAU 111 cases in which the patient had not exhausted the carrier's internal grievance process. The remaining 443 cases were either resolved by carriers during MIA's review process or resulted in an MIA decision.

**MIA Appeals and Grievances Complaints  
Results of MIA Decisions  
FY 2009**



MIA issued 217 decisions related to Appeals and Grievances complaints during FY 2009. This chart describes the outcomes of those decisions.

**MIA Appeals and Grievances Complaints**  
**Type of Service Involved in and Outcomes of Complaints**  
**FY 2009**

Type of Procedure	Total		Carrier Upheld by MIA		Carrier Overturned by MIA		Carrier Modified by MIA		Carrier Reversed Itself During Investigation	
Chiropractic Care Services	7	2%	4	57%	0	0%	0	0%	3	43%
Cosmetic	10	2%	4	40%	4	40%	0	0%	2	20%
Custodial Care Service	2	0%	0	0%	0	0%	0	0%	2	100%
Denial of Claim	1	0%	0	0%	0	0%	0	0%	1	100%
Denial of Hospital Days	137	31%	78	57%	0	0%	10	7%	49	36%
Dental Care Services	32	7%	8	25%	0	0%	0	0%	24	75%
Durable Medical Equipment	14	3%	6	43%	1	7%	0	0%	7	50%
Emergency Room Denial	6	1%	4	67%	1	17%	0	0%	1	16%
Emergency Treatment Denial	1	0%	0	0%	0	0%	0	0%	1	100%
Experimental	34	8%	12	35%	1	3%	0	0%	21	62%
Habilitative Service	1	0%	0	0%	0	0%	0	0%	1	100%
Home Care Services	2	0%	1	50%	0	0%	0	0%	1	50%
In-Patient Rehabilitation Services	1	0%	1	100%	0	0%	0	0%	0	0%
Lab, Imaging, Test Services	20	5%	7	35%	0	0%	0	0%	13	65%
Medical Food	1	0%	0	0%	0	0%	0	0%	1	100%
(Inpatient) Services	33	7%	14	42%	1	3%	3	9%	15	46%
(Outpatient) Services	3	1%	2	67%	0	0%	0	0%	1	33%
Morbid Obesity	8	2%	6	75%	0	0%	0	0%	2	25%
Out Patient Services	1	0%	1	100%	0	0%	0	0%	0	0%
Out-of-Network Benefits	2	0%	1	50%	0	0%	0	0%	1	50%
PCP Referrals	3	1%	2	67%	0	0%	0	0%	1	33%
Pharmacy Services/Formulary Issues	56	13%	19	34%	2	4%	0	0%	35	62%
Physician Services	44	10%	17	39%	0	0%	0	0%	27	61%
Podiatry Services	1	0%	1	100%	0	0%	0	0%	0	0%
PT, OT, ST Services	16	4%	5	31%	0	0%	0	0%	11	69%
Skilled Nursing Facility Care Services	5	1%	1	20%	0	0%	0	0%	4	80%
Transportation Services	2	0%	0	0%	0	0%	0	0%	2	100%
<b>TOTAL</b>	<b>443</b>	<b>100%</b>	<b>194</b>	<b>44%</b>	<b>10</b>	<b>2%</b>	<b>13</b>	<b>3%</b>	<b>226</b>	<b>51%</b>

The above chart identifies the types of services involved in Appeals and Grievances complaints handled by MIA during FY 2009. It shows how the outcome varies based upon the types of services involved in the complaints.

## HEAU Mediated Appeals and Grievances Cases Cases Listed by Carrier FY 2009

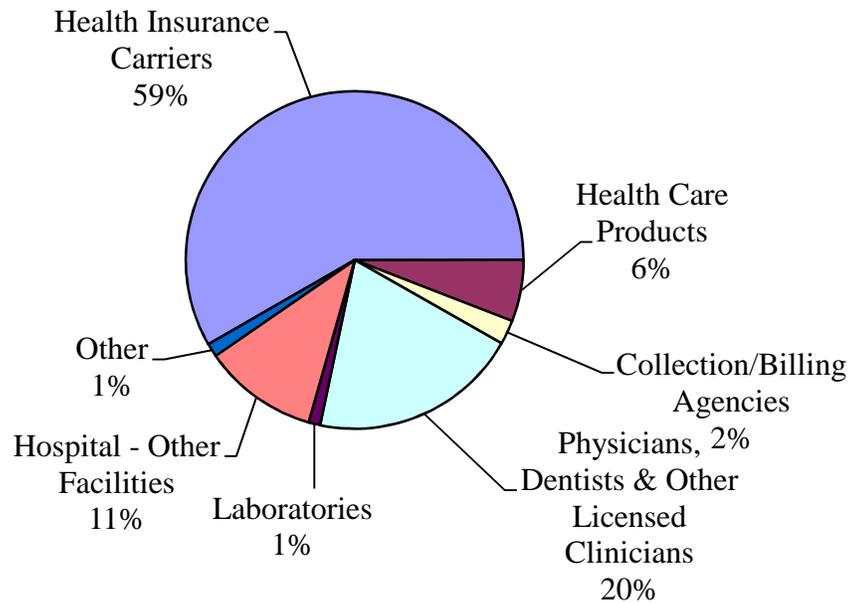
HEAU Appeals & Grievances Cases by Carrier		Total	Upheld		Overturned/Modified	
Aetna US Healthcare	Not State Regulated	15	12	80%	3	20%
	State Regulated	26	7	27%	19	73%
	<b>Total HEAU Complaints</b>	<b>41</b>	<b>19</b>	<b>46%</b>	<b>22</b>	<b>54%</b>
Ameritas Life insurance	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	1	100%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Anthem Blue Cross Blue Shield PPO	Not State Regulated	2	2	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Anthem Services, Inc.	Not State Regulated	1	1	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Assurant Health	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	1	100%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Blue Cross Blue Shield of Illinois	Not State Regulated	1	1	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Blue Cross Blue Shield of Maryland	Not State Regulated	1	0	0%	1	100%
	State Regulated	1	0	0%	1	100%
	<b>Total HEAU Complaints</b>	<b>2</b>	<b>0</b>	<b>0%</b>	<b>2</b>	<b>100%</b>
CareFirst	Not State Regulated	26	21	81%	5	19%
	State Regulated	89	33	37%	56	63%
	<b>Total HEAU Complaints</b>	<b>115</b>	<b>54</b>	<b>47%</b>	<b>61</b>	<b>53%</b>
Carefirst BlueChoice	Not State Regulated	8	6	75%	2	25%
	State Regulated	34	15	44%	19	56%
	<b>Total HEAU Complaints</b>	<b>42</b>	<b>21</b>	<b>50%</b>	<b>21</b>	<b>50%</b>
CareFirst BlueCross BlueShield	Not State Regulated	0	0	0%	0	0%
	State Regulated	3	2	67%	1	33%
	<b>Total HEAU Complaints</b>	<b>3</b>	<b>2</b>	<b>67%</b>	<b>1</b>	<b>33%</b>

HEAU Appeals & Grievances Cases by Carrier		Total	Upheld		Overturned/Modified	
CIGNA	Not State Regulated	7	6	86%	1	14%
	State Regulated	8	2	25%	6	75%
	<b>Total HEAU Complaints</b>	<b>15</b>	<b>8</b>	<b>53%</b>	<b>7</b>	<b>47%</b>
CoreSource, A Trustmark Company	Not State Regulated	1	1	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Coventry Health Care	Not State Regulated	2	1	50%	1	50%
	State Regulated	15	8	53%	7	47%
	<b>Total HEAU Complaints</b>	<b>17</b>	<b>9</b>	<b>53%</b>	<b>8</b>	<b>47%</b>
Delta Dental of Pennsylvania	Not State Regulated	1	0	0%	1	100%
	State Regulated	4	0	0%	4	100%
	<b>Total HEAU Complaints</b>	<b>5</b>	<b>0</b>	<b>0%</b>	<b>5</b>	<b>100%</b>
Dental Benefit Providers, Inc.	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	1	100%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Eastern Life & Health	Not State Regulated	0	0	0%	0	0%
	State Regulated	2	1	50%	1	50%
	<b>Total HEAU Complaints</b>	<b>2</b>	<b>1</b>	<b>50%</b>	<b>1</b>	<b>50%</b>
Empire BlueCross BlueShield	Not State Regulated	2	2	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
FELRA & UFCW Health and Welfare Fund	Not State Regulated	1	1	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Golden Rule Insurance	Not State Regulated	2	2	100%	0	0%
	State Regulated	2	2	100%	0	0%
	<b>Total HEAU Complaints</b>	<b>4</b>	<b>4</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Group Dental Service of Maryland	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	0	0%	1	100%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
Guardian Life Insurance Company of America	Not State Regulated	0	0	0%	0	0%
	State Regulated	7	2	29%	5	71%
	<b>Total HEAU Complaints</b>	<b>7</b>	<b>2</b>	<b>29%</b>	<b>5</b>	<b>71%</b>
Highmark Blue Cross Blue Shield	Not State Regulated	1	1	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

HEAU Appeals & Grievances Cases by Carrier		Total	Upheld		Overturned/Modified	
Humana Insurance Company	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	0	0%	1	100%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
Humana Prescription Drug Plan	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	0	0%	1	100%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
Independence Blue Cross Blue Shield	Not State Regulated	1	1	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
InforMed, LLC	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	0	0%	1	100%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
Johns Hopkins Employer Health Programs	Not State Regulated	2	2	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
Kaiser Permanente	Not State Regulated	2	1	50%	1	50%
	State Regulated	4	1	25%	3	75%
	<b>Total HEAU Complaints</b>	<b>6</b>	<b>2</b>	<b>33%</b>	<b>4</b>	<b>67%</b>
Magellan Behavioral Health	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	1	100%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
MAMSI Life & Health Insurance Company	Not State Regulated	2	1	50%	1	50%
	State Regulated	4	3	75%	1	25%
	<b>Total HEAU Complaints</b>	<b>6</b>	<b>4</b>	<b>67%</b>	<b>2</b>	<b>33%</b>
Maryland Health Insurance Plan (MHIP)	Not State Regulated	0	0	0%	0	0%
	State Regulated	6	0	0%	6	100%
	<b>Total HEAU Complaints</b>	<b>6</b>	<b>0</b>	<b>0%</b>	<b>6</b>	<b>100%</b>
MDIPA	Not State Regulated	4	1	25%	3	75%
	State Regulated	2	1	50%	1	50%
	<b>Total HEAU Complaints</b>	<b>6</b>	<b>2</b>	<b>33%</b>	<b>4</b>	<b>67%</b>
Medco Health	Not State Regulated	0	0	0%	0	0%
	State Regulated	1	0	0%	1	100%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
Medicare	Not State Regulated	4	2	50%	2	50%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>4</b>	<b>2</b>	<b>50%</b>	<b>2</b>	<b>50%</b>

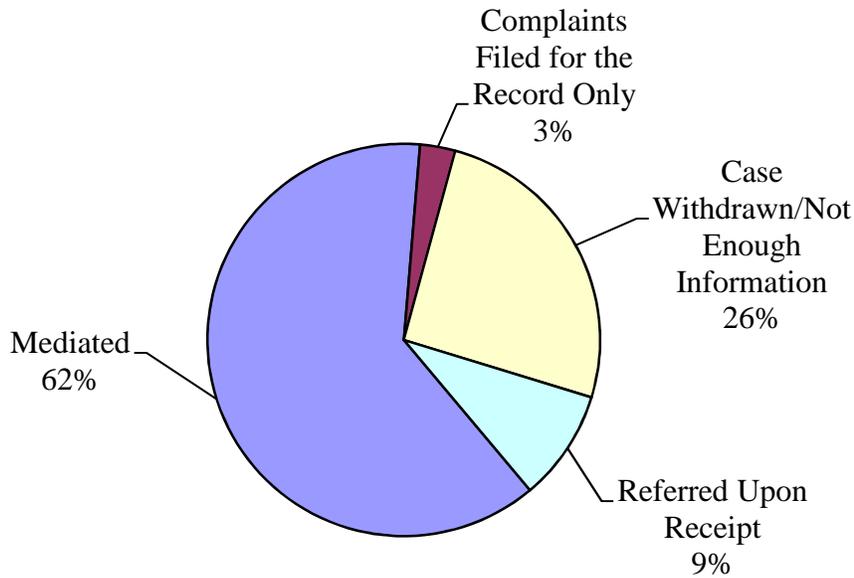
HEAU Appeals & Grievances Cases by Carrier		Total	Upheld		Overturned/Modified	
MetLife	Not State Regulated	4	2	50%	2	50%
	State Regulated	24	10	42%	14	58%
	<b>Total HEAU Complaints</b>	<b>28</b>	<b>12</b>	<b>43%</b>	<b>16</b>	<b>57%</b>
OneNet PPO	Not State Regulated	1	0	0%	1	100%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
Optimum Choice	Not State Regulated	7	7	100%	0	0%
	State Regulated	20	8	40%	12	60%
	<b>Total HEAU Complaints</b>	<b>27</b>	<b>15</b>	<b>56%</b>	<b>12</b>	<b>44%</b>
Priority Partners Managed Care organization	Not State Regulated	1	0	0%	1	100%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
TieCare International, Inc.	Not State Regulated	1	1	100%	0	0%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
United Concordia Companies, Inc.	Not State Regulated	3	1	33%	2	67%
	State Regulated	14	9	64%	5	36%
	<b>Total HEAU Complaints</b>	<b>17</b>	<b>10</b>	<b>59%</b>	<b>7</b>	<b>41%</b>
United Healthcare	Not State Regulated	5	3	60%	2	40%
	State Regulated	26	7	27%	19	73%
	<b>Total HEAU Complaints</b>	<b>31</b>	<b>10</b>	<b>32%</b>	<b>21</b>	<b>68%</b>
Value Options	Not State Regulated	1	0	0%	1	100%
	State Regulated	0	0	0%	0	0%
	<b>Total HEAU Complaints</b>	<b>1</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>100%</b>
Total	Not State Regulated	109	79	72%	30	28%
	State Regulated	300	115	38%	185	62%
	<b>Total HEAU Complaints</b>	<b>409</b>	<b>194</b>	<b>47%</b>	<b>215</b>	<b>53%</b>

## HEAU Cases: Who Are Cases Filed Against? FY 2009



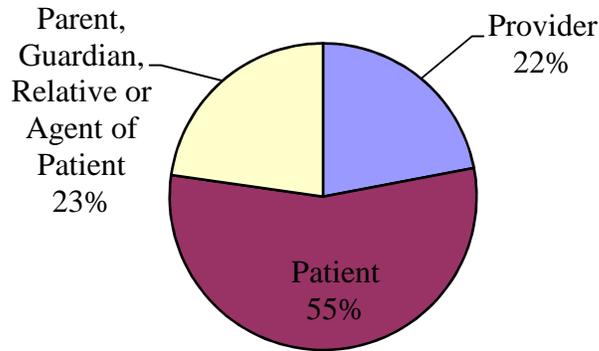
HEAU mediates several types of patient disputes with health care providers and health insurance carriers. Most complaints involve provider billing or insurance coverage issues, but HEAU cases also involve helping patients obtain copies of their medical records, mediating disputes related to sales and service problems with health care products and assisting patients with various other problems encountered in the healthcare marketplace. This chart shows the types of industries against which complaints were filed with HEAU during FY 2009. Some cases are filed against more than one industry.

## HEAU Appeals and Grievances Cases Disposition of Cases FY 2009



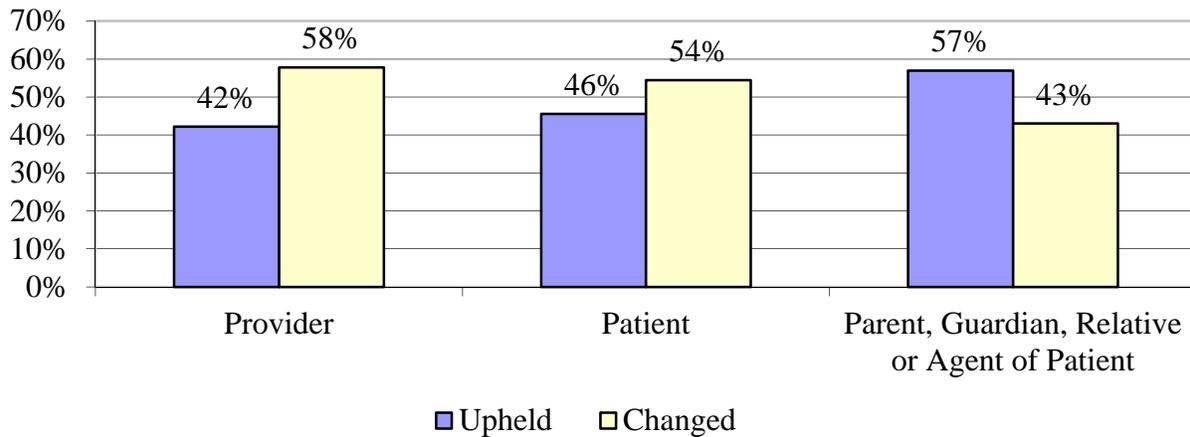
HEAU closed 655 cases related to patients who disputed carrier adverse or coverage decisions. However, not all of these cases were mediated by HEAU. Some of these cases were mediated, some were filed for the record only, some were withdrawn for lack of information, and others were referred to more appropriate agencies. This chart shows the disposition of all Appeals and Grievances cases closed by HEAU during FY 2009.

## HEAU Mediated Appeals and Grievances Cases Who Filed Case? FY 2009



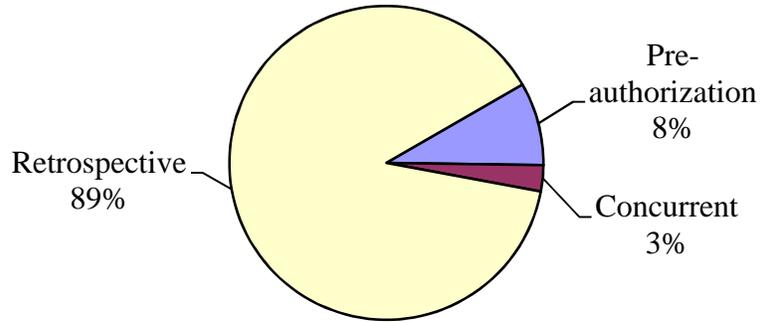
Complaints may be filed by patients or filed on behalf of patients by providers, parents, relatives or other agents. The above chart indicates who filed cases with HEAU.

## Outcomes Based Upon Who Filed Case FY 2009



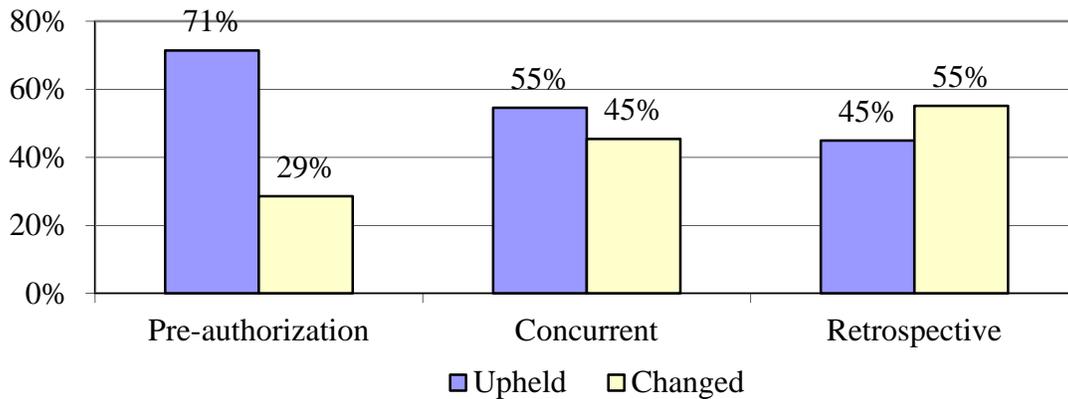
This chart shows the outcomes of Appeals and Grievances cases mediated by HEAU during FY 2009 based upon who filed the complaint. Cases resulting in carriers overturning or modifying adverse or coverage decisions have been combined for this chart.

## HEAU Mediated Appeals and Grievances Cases Timing of Decision FY 2009



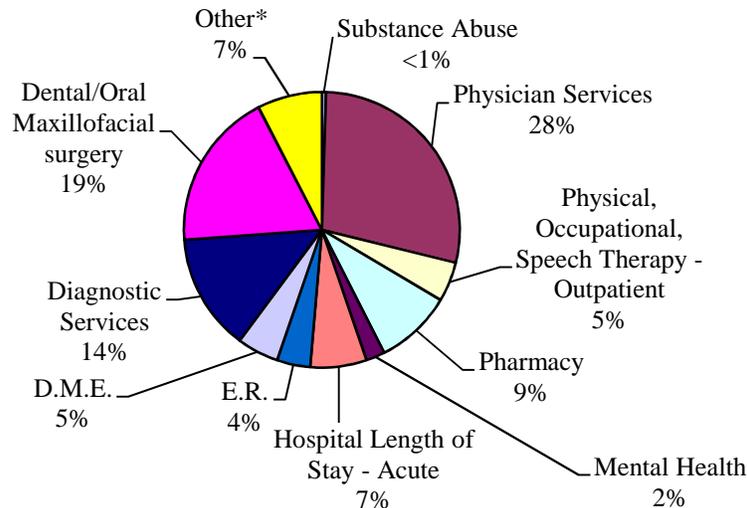
Carriers may issue adverse or coverage decisions before (pre-authorization), during (concurrent) or after (retrospective) treatment. This chart indicates when the denials were issued in Appeals and Grievances cases mediated by HEAU during FY 2009.

## Outcomes Based Upon Timing of Decision FY 2009



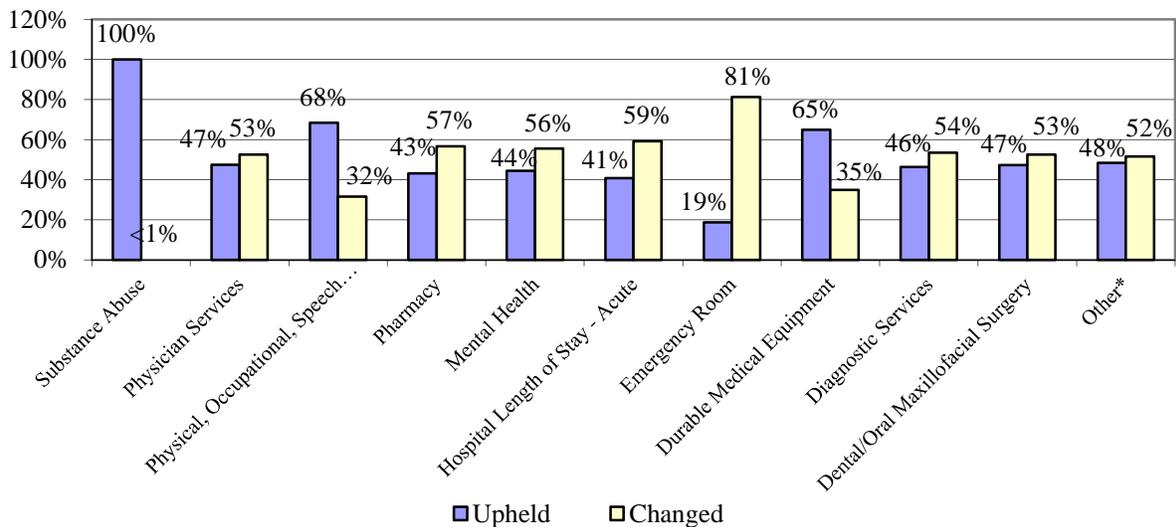
This chart shows the outcomes of Appeals and Grievances cases mediated and closed by HEAU during FY 2009.

## HEAU Mediated Appeals and Grievances Cases Type of Service Involved in Cases FY 2009



The above chart identifies the type of service involved in Appeals and Grievances cases mediated by HEAU during FY 2009.

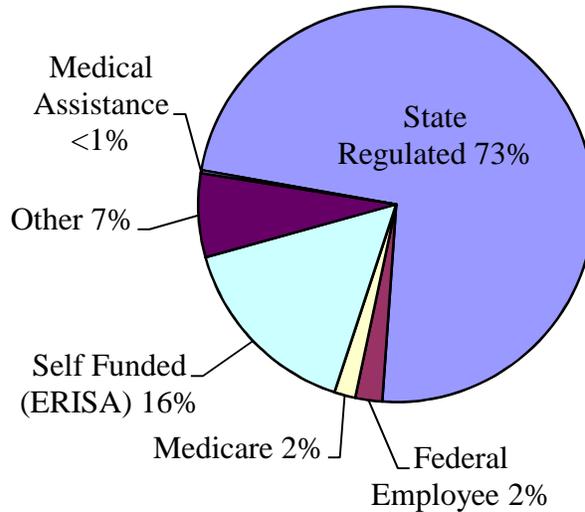
## Outcomes of Cases by Type of Service FY 2009



This chart shows the outcomes of Appeals and Grievances cases mediated by HEAU during FY 2009. It shows how the outcome varies based upon the type of service involved in the cases. Cases resulting in carriers overturning or modifying adverse or coverage decisions have been combined for this chart.

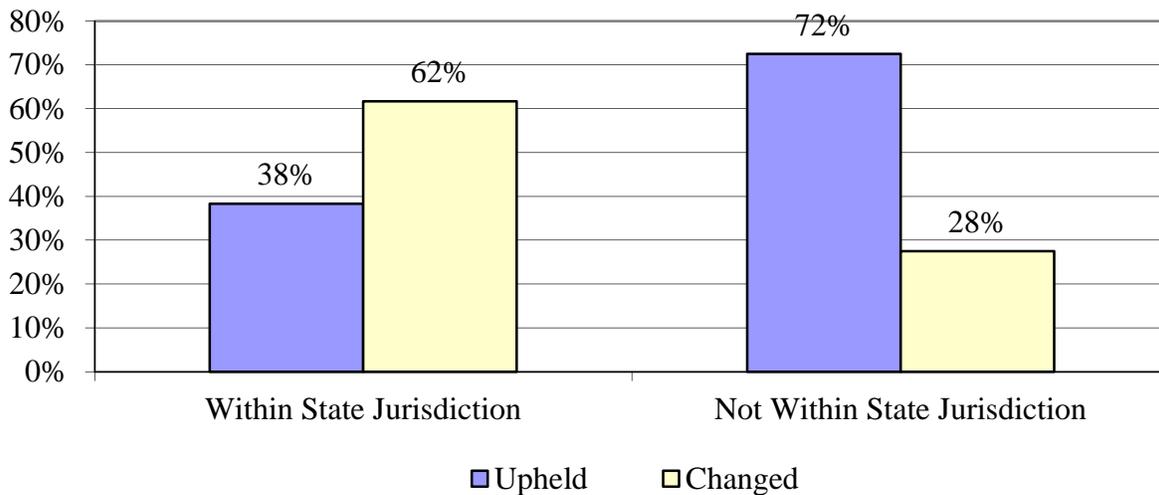
\* In both of the above charts, "Other" includes: chiropractic, habilitative services, inpatient rehabilitation – sub-acute stay, optometry, products and supplements, skilled nursing facility, transport and other cases where the type of service did not fit an existing category.

## HEAU Mediated Appeals and Grievances Cases Type of Carrier FY 2009



The above chart identifies the type of carrier involved in the Appeals and Grievances cases mediated by HEAU during FY 2009.

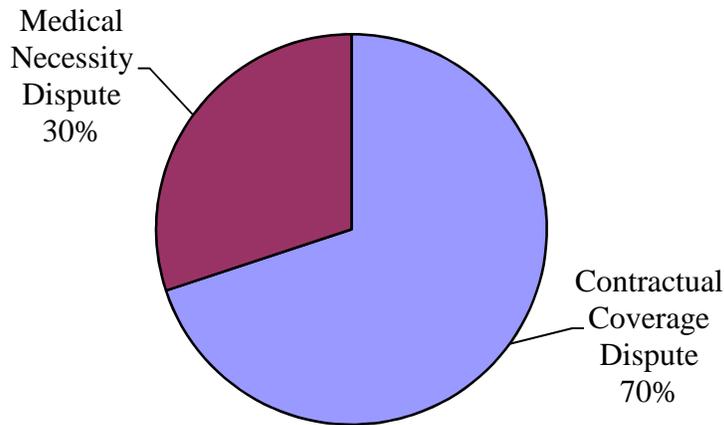
## Outcomes of Cases by Regulatory Authority FY 2009



This chart shows the outcomes of Appeals and Grievances cases mediated by HEAU during FY 2009. It shows how the outcome varies based on whether the carrier is within State jurisdiction.

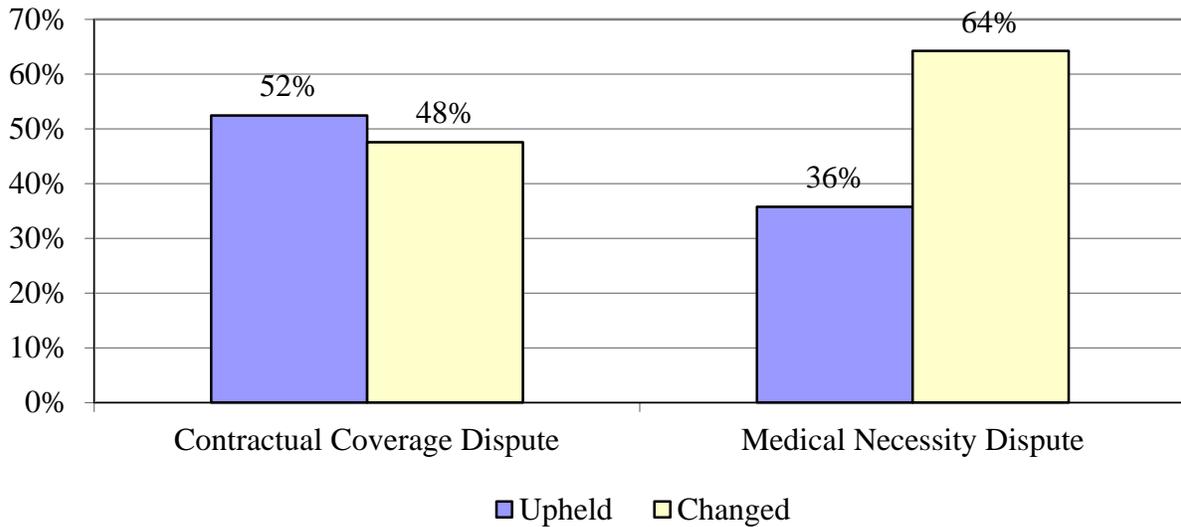
*\* Carriers not within state jurisdiction may include Self-insured, Federal Employee, Medical Assistance, Medicare, Military and Out-of-State plans.*

### HEAU Mediated Appeals and Grievances Cases Type of Decision FY 2009



The above chart identifies the percentages of medical necessity and contractual coverage disputes for the Appeals and Grievances cases mediated by HEAU during FY 2009.

### HEAU Mediated Appeals and Grievances Cases Outcomes of Cases by Type of Decision FY 2009



This chart compares the outcomes of medical necessity and contractual coverage disputes for the Appeals and Grievances cases mediated by HEAU during FY 2009.